

1 temps that we had, and for about a week after that she would
2 give all of my jobs the lowest priority, even if they were
3 rush jobs. There was one time when we needed to fax
4 something to an attorney and it didn't get there in time
5 because she had moved my stuff down the list.

6 Q Now, this was a week prior to you being reassigned
7 to the bidding?

8 A No, this was after I was assigned to the bidding,
9 while I was no longer answering phones, so unfortunately a
10 lot of my duties got dumped on Lorri and she ended up having
11 to do a lot more work. She was pretty resentful of that.

12 Q Do you know what type of work relationship she had
13 with Mr. Easton?

14 A Yes, she loved to hate him. She couldn't stand
15 him. They argued a lot. They would yell and scream at each
16 other. She had been fired several times. Not lately,
17 because the last time she got fired what she told me was
18 that he would always fire her and then change his mind
19 later, and the last time he fired her she said I'm leaving,
20 and basically to keep her there he had to give her a raise,
21 so I guess he quit firing her so it wouldn't cost him money.
22 But, sometimes they'd get along. A lot of times she would
23 be talking behind his back and doing little things to
24 undermine him.

25 Q Would she have any reason to state that you may

1 not be a reliable source?

2 A Purely speculation, I assume Terry paid her well
3 to say it. Lorri and I were getting along fine at the time
4 that I quit. In fact, she called me up when the papers were
5 finally faxed over that I had turned Terry in, and she
6 called me up and she was laughing and saying, I just found
7 out what you did, she thought it was the funniest thing
8 she'd ever heard.

9 And actually going back to one of your previous
10 questions, on the day that I had faxed my resignation, she
11 called, I wasn't answering the phone, I was listening to
12 messages, and she said, hey, it's Lorri, pick up if you're
13 there, so I picked it up. And she said, what's going on,
14 where are you, and I said I faxed in my resignation several
15 hours ago, and she goes, you're kidding, nobody said a word.
16 So, Lorri and I talked throughout the whole period after I
17 quit, for another month.

18 Q But, after March of 1996 or so, you had no further
19 contact with her?

20 A I saw her once about last August. We didn't get a
21 chance to talk, it was in a parking lot, somebody was behind
22 her honking, and she rolled down her window and all she
23 could tell me was, watch out, Terry's got investigators on
24 you.

25 Q Does the San Mateo Group still exist today, to

1 your knowledge?

2 A I think so, but I don't know in what capacity.

3 Q Do you know if she still works there?

4 A I don't.

5 Q Do you know if she still works for Mr. Easton in
6 any way?

7 A I don't know personally.

8 Q All right. Let's go to Mr. Gavette now. How did
9 he react when you told him the story about Mr. Easton?

10 A Well, I have to preface that by the fact that Mike
11 Gavette was present at my desk when we were doing the
12 bidding. He was present when I deleted markets and put one
13 back in, and when I submitted the bid. He was also present
14 when I printed the flash reports before withdrawal, during
15 the time when Terry could have withdrawn. And I guess now
16 Terry is saying that he never got those papers because the
17 print -- or some cockamamie story.

18 Mike Gavette was also the person I was talking to,
19 I was complaining to him that my binder was missing and I
20 was furious because that was my documentation to back-up
21 what I had done. And I was thinking out loud when I was
22 talking to him saying, wait, there's copies of the old bid
23 in the garbage can. I went back to my desk, and he wasn't
24 there when I retrieved them but then he was at my desk when
25 Terry came to my desk and asked where they were, and he

1 started digging through my garbage can. And I was sitting
2 there silently praying that Mike would not say Cynthia took
3 them, because he knew I had them. So, he was there for that
4 as well.

5 Again, I was so furious that day, I don't remember
6 what I said, I don't remember what was said to me, so I
7 don't remember what Mike said about Terry changing the
8 documents or taking my binder.

9 Q But, he actually saw Mr. Easton going through your
10 trash can?

11 A Yep.

12 Q Did Mr. Easton ever say why he wanted to find
13 those documents that you had thrown away previously?

14 A No, and I didn't ask because I still hadn't gotten
15 them out of the office and I didn't want to get into a
16 discussion on it.

17 Q Wa this before or after lunch?

18 A This was before lunch. I took the documents with
19 me at lunch time. He asked me where the documents were and
20 I just said, did you take them to your office to try and get
21 them out of my area, and looking somewhere else.

22 Q Okay. Now, other than Ms. Milstein, Ms. Collins
23 and Mr. Gavette, is there anybody else you spoke to that
24 particular day, January 23rd, about what Mr. Easton was
25 doing?

1 A You missed Fred Gross and Scott Merberger.

2 Q I guess we discussed both of them basically as
3 well?

4 A Yeah.

5 Q Anybody other than those five people?

6 A No. Bill Pezzhaglia wasn't in the office yet. I
7 don't know if Graham White was there that day, but I didn't
8 talk to him much anyway, and I wouldn't have talked to him
9 about this.

10 Q When you went in on January 24th -- after you
11 faxed in your resignation, you did go to the office on
12 January 24th, correct?

13 A No.

14 Q Did you speak to Mr. Breen on January 24th?

15 A No.

16 Q Was there a time where you did go speak to Mr.
17 Breen?

18 A Yes, on Friday, January 26th.

19 Q What was your reason for going to the office on
20 January 26th?

21 A To pick up my final paycheck and to clear out my
22 desk.

23 Q Did you go alone?

24 A No, I brought a friend with me, Rosalind Makris.

25 Q And was there a reason you brought her?

1 A Yes. I suspected that Terry could get pretty
2 nasty and I wanted somebody there as a buffer. Lorri had
3 warned me at some point that if I ever quit the job to not
4 put the real reason down because Terry would not pay people
5 their final paycheck and that he would blackball them.

6 Q Did you get your final paycheck?

7 A Yes. And I have to state for the record that if I
8 hadn't needed that final paycheck, I would have gone and
9 stood on the conference room table, where everybody was
10 meeting, and told them what happened right then and there.

11 Q There was a conference going on that day?

12 A Yes, there was a meeting going on. I didn't see
13 all of the people that were there, I didn't recognize all
14 the people that were there, but it appeared to be a board
15 meeting of Unicom, plus a few people, I believe it was
16 Javier was there, Quentin was there, I think Richard Reiss
17 and Fred Martinez, Terry, I can't remember if Ronit was in
18 that meeting or not. She and I talked a bit, so if she was
19 in the meeting, she came out. But, it looked like a Unicom
20 board meeting plus a few people.

21 Q Do you know if any of the PCS 2000 communication
22 attorneys were there?

23 A I wouldn't have known if they were. I'd never met
24 any of them.

25 Q At some point on that day did you speak to Mr.

1 Breen?

2 A Yes.

3 Q Was this before or after that board meeting?

4 A It was during the meeting, while my vacation check
5 was being prepared, they had forgotten to prepare that.
6 Quentin came out of the meeting and came over and put his
7 arm around me and asked how I was doing, and just chit-chat,
8 because Quentin and I were, I guess, pals, you know, we
9 chatted a lot. And I told him there was something I needed
10 to tell him and asked if I could speak with him in his
11 office.

12 Q And then did you go into his office?

13 A We went back to his office and my friend, Ros,
14 followed us in there. And we talked about several things,
15 one of which was that I told him I wanted to make sure he
16 knew that Terry had lied to the FCC on a recorded phone
17 line, that Terry had made the mistake on the bid, it
18 happened on this end, it was not the FCC's computer. As for
19 the other details from -- I don't recall all of the
20 conversation, from looking at previous statements I made, I
21 believe that I told him -- in fact Terry had -- I think I
22 used the words either "Cooked the books" or "Doctored the
23 database and faxed papers to the FCC". I am pretty sure,
24 pretty positive actually, that I told him that Terry took my
25 binder and that Terry was digging through the trash can for

1 papers and that Terry never found those papers.

2 Q Did you tell him that you had the originals?

3 A Absolutely not, and I did not tell him that I had
4 talked to the FCC about it. On that part I was a little,
5 what's the word, elliptical I guess. I was hoping that
6 Quentin would get the clue and figure out that if those
7 papers weren't found it's because I didn't want them to be
8 found, but I did not say that. I wanted Quentin to kind of
9 infer that those papers were still somewhere. I didn't do a
10 very good job of conveying that part to him.

11 Q Well, is there a more specific reason why you
12 didn't tell him that you had those originals?

13 A Yes. And it's really unfortunate but I really,
14 really needed that final paycheck. And if Quentin went in
15 saying to Terry that I had those papers or I called the FCC,
16 I thought Terry was going to stop payment on my check.

17 Q Did you have some question at that point to whom
18 Mr. Breen's true loyalties were for, or to?

19 A Well, it's pretty common knowledge around
20 everybody that worked for Terry that nobody really liked him
21 personally. Quentin got along with him better than anybody
22 else. I don't think Quentin had any respect for him, but he
23 worked with him. I don't know, I had a lot of impressions
24 at the time, that looking back now I can't say what they
25 were based on.

1 And I had a lot of assumptions, I assumed that
2 anybody that worked with Terry was probably at least a
3 little bit dirty. Since then I have thought about it and
4 realized that Terry may have done things -- I saw him do a
5 lot of things because I was in the office with him every
6 day, but the other people that I was assuming were dirty,
7 like Dan Parks, Javier, Richard Reiss, Lamoso and Quentin, I
8 cannot really say, now that I think about it, that any of
9 those people were ever present for any of the things I saw
10 Terry do. So, I'm not sure that my impressions would be
11 correct.

12 Q Do you know, or at that time did you know anything
13 about any of the business relationships between Mr. Easton
14 and Mr. Breen?

15 A I knew they had worked together for a long time, I
16 think 20 years, I think longer than either one of them had
17 been married, adding up all of Quentin's marriages. I knew
18 that they had a long term working relationship. I knew also
19 that Quentin agreed to be involved in this latest venture,
20 but did not want to be involved in the day to day part of
21 it, and he spent most of his time up in Oregon. I do
22 remember an argument where Terry wanted Quentin to have an
23 apartment down here and to be more involved, and Quentin
24 said he didn't want it.

25 Q And by "this current venture", you're referring to

1 just the bidding for PCS licenses?

2 A The PCS 2000 venture, they had another previous
3 venture that they called IVDS something, that they had
4 worked on, that was bidding on some other license, but I
5 don't remember what they got the licenses on. And I guess
6 they had done some previous ventures, joint ventures or
7 something before.

8 Q Do you know if they were ever involved in the
9 cellular industry, or at that time did you know if they were
10 ever involved in the cellular industry?

11 A I believe so, but I don't recall them having any
12 of the cellular RSA or MSA licenses, in those terms, that's
13 what I would term the cellular industry would be those
14 licenses.

15 Q Does the name Romulus mean anything to you?

16 A Yes.

17 Q And what does that mean?

18 A There are, I believe, two Romulus companies.
19 Terry had a lot of companies and changed company names on a
20 regular basis. I think there was a Romulus Engineering and
21 Romulus Telecommunications, I'm not sure about those names
22 but I think there were two Romulus entities, I don't know if
23 they existed at the same time or if they were consecutive.

24 Q And to the knowledge you had then, these were
25 strictly Terry Easton companies, or did Mr. Breen have

1 anything to do with Romulus?

2 A I believe that Mr. Breen was involved with
3 Romulus, though I also believed that Mr. Breen had part
4 ownership in San Mateo Group and I've heard lately that that
5 might not be true, so, you know, I don't know. My
6 understanding was that Unicom was the general partner, PCS
7 2000, that Unicom contracted out to Romulus the bidding
8 process, and Romulus contracted San Mateo Group.

9 Q Did you tell your friend, Ms. Makris, that you
10 declined or just decided not to tell Mr. Breen that you had
11 the original documents and that you had talked to the FCC?

12 A I probably did, but I don't recall exact words.
13 She was actually more concerned after the conversation that
14 Quentin and I had also discussed -- he was real concerned
15 about my employment situation and we had discussed that, you
16 know, he would offer to give me a recommendation and
17 straighten out what the story would be as to why I left the
18 company, and Ros was more concerned about, she said, well,
19 you just talked yourself out of being able to get
20 unemployment, [REDACTED]

21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]

13 Q Was it your impression -- strike that. Did you
14 tell Mr. Breen your real reason for leaving?

15 A Uh-hum.

16 Q Yes?

17 A Yes.

18 Q And what did you tell him specifically?

19 A I told him there was no way I was going to work
20 for Terry, that I didn't want to be involved in any of the
21 additional activities that were going on, and I don't
22 remember the exact words. After I had -- again, I'm not
23 absolutely sure I told him but I know that what I was
24 thinking was after I had seen Scott fax those papers, that I
25 knew there was going to be a point where Terry was going to

1 ask me to do something that I didn't think was ethical. And
2 so I wanted to remove myself from the whole situation.

3 Q And do you think you told that part to Mr. Breen
4 as well?

5 A I think so but I'm not absolutely sure.

6 Q What was his response to your informing him of why
7 you had left the company?

8 A He wasn't surprised, he didn't say much. I
9 remember thinking he's a smart attorney because he's
10 listening, but he's not saying anything, he's not saying
11 yes, I know Terry did this. He didn't -- he certainly
12 didn't paraphrase back to me anything I had said to him. He
13 just, you know, kind of heard what I said and we talked
14 about a few other things and --

15 Q Did it appear to you that he already knew?

16 A I had asked him specifically did Ronit tell you
17 about this, and he said yes. And I still wasn't sure, you
18 know, when I say about this, I wasn't sure what she had told
19 him and I didn't quite believe that she had told him what
20 was going to tell him, or that she would put in the details.
21 I did not trust her to notify him. Part of my whole problem
22 with the whole event is that I should not have had to have
23 been the person to do this, that Ronit should have. That
24 she had a duty to call Javier, and that when she didn't do
25 it, I didn't expect her to notify anybody else either.

1 Q Did he, Mr. Breen, ever indicate to you anything
2 he planned to do about this situation, about what Mr. Easton
3 had done, or what you recorded Mr. Easton had done?

4 A No. He was, like I say, he was doing the attorney
5 thing, he did not give me any information as to what he was
6 thinking, what he heard, what his impression was on it.

7 Q Now, you were stating when you talked to him he
8 came out of the board meeting, the board meeting concluded
9 at that point?

10 A No.

11 Q Did he go back into the board meeting?

12 A Yes.

13 Q And you left the office at that point?

14 A I was there for a little longer because they had
15 miscalculated my vacation pay so I was there for another 15
16 minutes or so while they recalculated the check.

17 Q And the board meeting was still continuing by the
18 time you left 15 minutes later?

19 A Yes. And again, I say it looked like a board
20 meeting, because they had those members there, but I don't
21 know if it was a board meeting.

22 Q But Mr. Lamoso and Mr. Martinez both were
23 definitely there?

24 A Yeah.

25 Q Was it common for Mr. Lamoso and Mr. Martinez to

1 come to the office?

2 A They had visited maybe three times while I've been
3 there, maybe more, but no, it was a special occasion for
4 them to show.

5 Q And Mr. Parks was in there as well, do you know
6 Dan Parks?

7 A I think Dan was there, but again it's been a year,
8 I don't recall for sure. The one I'm absolutely clear on is
9 Javier, because I always liked Javier. I'm pretty sure the
10 others were there. I liked Dan too, but I'm pretty sure
11 they were all there. But, Javier is the one I noticed for
12 sure.

13 Q Now, you stated you also did send a declaration to
14 the Commission, correct?

15 A Yes. I faxed a declaration.

16 Q And do you still stand by everything in that, or
17 is there anything in that declaration now you would -- that
18 you no longer believe is correct, or you would like to
19 change?

20 A There is a minor error in it, if I can find the
21 declaration.

22 Q I do have a copy. I have the original here if
23 you'd like?

24 A Okay. Okay, on page two, on what appears to be
25 one, two, the third full paragraph, where it says, "He then

1 decided to withdraw three markets to get the POPS down
2 closer to the minimum requirement", the correction would be
3 he actually withdrew four and added back one, so the total
4 withdrawal was three markets, but it happened four minus and
5 then one added back in.

6 Q Okay. And other than that, the declaration is a
7 true and correct statement?

8 A Yes, it is. There is one typographical error on
9 page four.

10 Q I guess it's a handwritten error?

11 A Handwritten typographical -- handwritten error,
12 where I say, "I also believe that Terry has written a --"
13 and I put "later" instead of "letter".

14 Q Okay.

15 A Otherwise everything in here is accurate to the
16 best of my knowledge.

17 Q Now, have you seen a copy of the Commission's
18 Notice of Apparent Liability for Forfeiture against PCS
19 2000?

20 A Yes.

21 Q And you read it?

22 A Yes.

23 Q Is it, to your knowledge, factually correct?

24 A I believe -- I don't have a copy of it in front of
25 me --

1 Q I'm sorry, I don't have a copy with me either.

2 A -- that it does make an error at one point, it
3 states that Terry threw the documents that I sent to you in
4 the garbage can, later on it says that I threw them in the
5 garbage can, and it was Terry who threw them in the garbage
6 can. That's stated in the declaration.

7 Q And other than that, you understand or believe it
8 to be factually correct?

9 A Yes, there might be one or two other minor, minor
10 errors in it, but it is basically correct.

11 Q How neat would you say your desk area was?

12 A I'm pretty fanatical about being neat. If you had
13 asked Rosalind Makris, when she was here, how neat I am, she
14 would have just been disgusted because she hates how neat I
15 am. There is a joke that Virgos are anal retentive, and of
16 course we say does anal retentive have a hyphen in it. I
17 have been known to alphabetize my soup cans, to line up all
18 the cans in my cabinet facing forward, and green beans
19 cannot be in the same row. I am pretty organized.

20 Q And so if Ms. Collins described you as untidy and
21 unkept, that would not be a correct description of you or
22 your work habits?

23 A Well, not only that, it's not a correct
24 description of how Lorri talks. I don't believe she wrote
25 that declaration. She signed it, but that's not her

1 language, that's not how she talks.

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED] 5.

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED] 2

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

1 [REDACTED]
2 [REDACTED] A Can we take a break for a few minutes first?
3 MR. WEBBER: Certainly.
4 (Off the record for a brief recess.)

5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]

21 BY MR. WEBBER:

22 Q Actually, that kind of brings me to a question I
23 was going to get to later, but it fits in well now. By
24 leaving San Mateo Group and making the allegations you did
25 against Mr. Easton, have you gained anything from it?

1 A No. I lost quite a bit. [REDACTED]

2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]

20 So, I was literally unemployed for almost five
21 months because of this.

22 Q And you knew at the time, since you were quitting,
23 there would be no way you would actually collect
24 unemployment, correct?

25 A No. I thought there was a chance I could collect

1 unemployment because -- and I don't know anything about
2 unemployment law, but my belief is that you do not have to
3 stay in a job where illegal activity is going on, so there
4 was a chance that I would get it, but I knew it would be a
5 fight.

6 Q And if Mr. Easton were to say you quit out of fear
7 of being blamed for the problem, do you consider it to have
8 been more logical for you to have waited around and just
9 been fired?

10 A Uh-hum, yes. In fact he already blamed me for it,
11 so -- and he only blamed me that one time and then he backed
12 off, I mean he really stayed away from me. I didn't fear
13 being fired. My impression, my feeling of that day was that
14 Terry wasn't going to do anything to piss me off because I
15 could cause him trouble.

16 Q Did you ever have any -- that day, January 23rd,
17 did you have any real fear that they were going to try to
18 pin anything on you?

19 A I thought Terry might. My whole feeling was that
20 that's why the bidding software was on my computer and not
21 his, so he would have somebody to blame if there was a
22 problem. And that's one of the reason why I kept signed
23 papers.

24 Q And because you, at that point, did have one of
25 the signed papers, did you think there was a way that he

1 could get away with trying to blame you?

2 A No.

3 Q And that's your thinking as of January 23rd?

4 A No, I didn't think he'd get away with blaming me
5 at all.

6 Q And so your leaving the company did not have
7 anything to do with the fear of being blamed?

8 A No.

9 Q While you were with San Mateo Group, were they
10 putting you through notary public school?

11 A Yes.

12 Q And were you issued a commission on January 19,
13 1996?

14 A I was issued a commission, I don't recall offhand
15 what the date was.

16 Q And did you ever file your official bond or take
17 and subscribe the oath of office?

18 A No.

19 Q Why not?

20 A My only purpose for becoming a notary was because
21 Terry requested it, and since I no longer worked for Terry
22 there was no reason for me to do that. And on top of that,
23 it costs money to get the insurance. It wasn't very much, I
24 think it was only \$35, you know, maybe for everything, for
25 the stamp, for registering and all that it might have been